

STATEMENT OF CONSIDERATIONS

REQUEST BY ATLANTA GAS LIGHT AND ADSORBENT RESEARCH GROUP (AGLARG) FOR AN ADVANCE WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER SUBCONTRACT NO. 466590 AT BROOKHAVEN NATIONAL LABORATORY; W(A) - 94-021, CH-0839

The Atlanta Gas Light and Adsorbent Research Group (AGLARG), a large business consortium, has petitioned for an advance waiver of patent rights under its Subcontract No. 466590 from Brookhaven National Laboratory, operated by Associated Universities, Inc. under DOE Contract No. DE-AC02-76CH00016. The purpose of this subcontract includes the design, fabrication, testing and demonstration of a fuel storage and fuel delivery system for at least two natural gas powered engines in light duty vehicles using Adsorbent Natural Gas (ANG) technology currently held by the consortium. This subcontract was identified by the Office of Alternative Fuels as being under the Energy Policy Act of 1992, and accordingly, pursuant to the request of the Program Office the agreement incorporates the contract data protection provisions authorized by the Act.

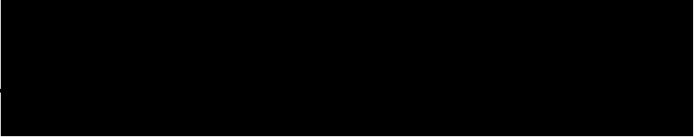
As a result of the negotiations in connection with the nature and extent of the AGLARG consortium's technical participation under this subcontract, AGLARG has requested a waiver of domestic and foreign patent rights for all subject inventions of its employees, including those of its wholly owned or controlled subsidiaries or affiliates, as well as those of its subcontractors, at any tier, other than domestic small businesses, non-profit organizations and universities, and National Laboratories. Under the terms of the waiver, all such subject inventions will be waived by the Department and vested in the AGLARG consortium subject to the standard march-in, preference for U.S. industry, and background patent provisions, as well as the attached U.S. competitiveness provision. Additionally, AGLARG has agreed to a comparable third party background data licensing provision. It is anticipated that the various members of the consortium will allocate rights to any subject inventions among its members consistent with the members' contributions to the total cost of the subcontract, subject to the U.S. competitiveness provision noted above.

Referring to the attached copy of AGLARG's waiver petition, one of the primary purposes of this subcontract is to demonstrate the use of AGLARG's ANG technology in lightweight vehicles.

AGLARG has agreed to contribute about \$800,000, or at least 50 percent of the total subcontract cost of approximately \$1,600,000. Given the consortium's contribution to this subcontract and its established position in ANG storage technology, it is reasonable to conclude it will undertake to commercialize the results of this agreement.

The waiver is not expected to have any adverse impact on competition due to the variety of alternative designs currently available.

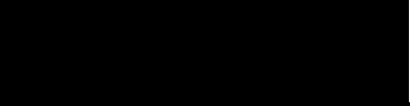
Upon evaluation of the waiver petition and in view of the objectives and considerations set forth in DOE 41 CFR 9-9.109-6, all of which have been considered, it is recommended that the requested waiver be granted, provided AGLARG maintains its cost sharing over the term of the agreement at no less than 50 percent, in aggregate, of the total cost of the agreement.


Thomas G. Anderson
Assistant Chief Counsel
Intellectual Property
Law Division

Date 8/25/94


Based on the foregoing Statement of Considerations, it is determined that the interest of the United States and the general public will best served by a waiver of the patent rights of the scope described above and, therefore, the waiver is granted.

CONCURRENCE:


John A. Russell, Director
Office of Alternative Fuels
EE-332

Date 8/25/94

APPROVAL:

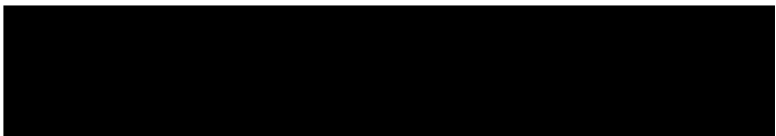

Robert Potat
Acting Assistant General
Counsel for Intellectual
Property and Technology
Transfer, HQ

Date 8/26/94

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Acting Assistant General
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Date _____

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WAIVER ACTION - ABSTRACT

<u>REQUESTOR</u>	<u>CONTRACT SCOPE OF WORK</u>	<u>RATIONALE FOR DECISION</u>	<u>DISPOSITION</u>
Altanta Gas Light Adsorbent Research Group (AGLARG)	Demonstrate ANG technology in lightweight vehicles.	50% cost sharing	

U.S. Competitiveness

The Contractor agrees that products, processes or services used or sold by it or its affiliates embodying subject inventions must be manufactured, practiced or provided substantially in the United States, and further, any license or other transfer of rights in a subject invention to third parties must be approved by DOE prior to any such transfer.